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Testimony of Mr. John McCone, Director of Central Intelligence Agency before the Preparedness Investigating Subcommittee on March 12, 1963

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Mr. McCone. "I would like to first say that, as you know, I was away personally from the 23rd of August until the 24th of September and, hence, when this situation became known after the 14th of October, I wanted to have an independent investigation made of the functioning of the Intelligence Community to see if there were any serious faults in its functioning so that I could, for my own guidance, make an effort in correcting them.

"I have notes from this study, and I would just like to read the conclusions which are as follows:

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"the 19 September estimate which indicated the improbability that the Soviet Union would place MRBM's and IRBM's in Cuba did state that this contingency must be examined carefully even though it would run counter to current Soviet policy. The estimators, in preparing the 19 September estimate, gave great weight to the philosophical argument concerning Soviet intentions, and thus did not fully weigh the indicators which would have led to a contrary conclusion.

"The estimate held to the belief that the Soviets understand the policy implications involved and, therefore, would not accept the grave risks that would flow from a U. S. discovery of and resolute reaction to the presence of offensive missiles."

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Mr. McCone. "I know a great deal has been said about the estimate on September 19 which had the following wording in the conclusion:

"That the USSR could derive considerable military advantage from the establishment of Soviet medium and intermediate range ballistic missiles in Cuba or from the establishment of a Soviet submarine base there. As between these two, the establishment of a submarine base would be the more likely. Either development, however, would be incompatible with Soviet practice to date, and the Soviet policy as we presently estimate it. It would indicate a far greater willingness to increase the level of risk in the USS-Soviet relations than the USSR had displayed thus far and, consequently would have important policy implications to other areas and other problems in the East-West relations."

That estimate is right because it did cause a serious problem. However, it was wrong in another aspect inasmuch as it was a risk that for their own reasons they were willing to take."

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Senator Smith. "It has been claimed that our intelligence agencies have done a good job on obtaining and collecting information but that they have fallen down on evaluation, and that the faulty opinion on Russia's putting offensive missiles in Cuba is pointed example of such faulty evaluation.

"What do you recommend for improvement or revisions to prevent repetition of such faulty evaluation, if there was such in such matters."

Mr. McCone. "I think that is a very good question, and it is one that worries me very much, because we are dealing there with how much weight and credence you can give to various types of intelligence, the credibility of which is questionable.

"Also you are dealing with imponderables of what the other fellow will or will not do.

"As you go through, go backward and look into some of the great or tragic events of the century, you find that very often people are, in their evaluation of a situation, controlled by a philosophical approach, and all too often because of that are blamed to certain indicators.

"The start of World War II was a good example, where we were of a mind that certain events would not happen, and we were blind to indicators.

"The finish of World War II was another example where the opposite took place. Korea is another example.

"In private life sometimes we become so sure that the stock market is going to go up that we fail to see the indicators to tell us all too clearly that it is going to go down.

"This is a very difficult problem, and I think it is a problem that people who are in business or in intelligence estimating analysis have had to deal with for all of time."

# TOP SECRET